



# NEWS

**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
**Washington, D. C. 20554**

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Circ 1974).

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## **FCC RELEASES TELEPHONE PENETRATION BY INCOME REPORT**

Washington, D.C. – The Federal Communications Commission (FCC) today released a report presenting data on telephone penetration levels on a state-by-state basis for various income categories. The report presents penetration statistics based on individual household data from the Current Population Survey (CPS) conducted by the Census Bureau in March 2004.

This report, which is updated annually, provides more detailed information on telephone penetration to complement the information available in *Telephone Subscribership in the United States*, which is published three times a year. Specifically, this report is designed to track the effects of federal and state Universal Service Fund Lifeline and Linkup support mechanisms that defray the cost of telephone service for low-income consumers.

### **Report Highlights**

- In March 2004, penetration among low-income households nationwide was 88.0%. This contrasts with an overall nationwide penetration rate of 94.2% in March 2004.
- Since 1985, when the Federal Communications Commission (Commission) first established Lifeline to help low-income households afford the monthly cost of telephone service, penetration rates among the lowest income households (under \$10,000 annual income in 1984 dollars) have grown from 80.0% to 88.0%.
- States that have taken full or nearly full advantage of federal universal service support for telephone service for low-income consumers saw an average growth in penetration for low-income households of 3.0% from March 1997 to March 2004. In contrast, states that did not provide any lifeline support beyond the basic federal support saw an average decline in telephone penetration rates for low-income households between March 1997 and March 2004 of 2.1%.
- Penetration rates among low-income households ranged from a high of 94.6% in Connecticut to a low of 79.9% in Arkansas in March 2004.

This report is available in the FCC's Reference Information Center, Courtyard Level, 445 12th Street SW, Washington, DC 20554. Call Best Copy and Printing, Inc. at (202) 488-5300 to purchase a copy. This report also can be downloaded from the FCC-State Link Internet site at <<http://www.fcc.gov/web/iatd/stats.html>>.

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News about the Federal Communications Commission can also be found on the Commission's web site [www.fcc.gov](http://www.fcc.gov).